Announcement of Issuing Investment Corporation Bonds

Japan Real Estate Investment Corporation hereby announces its decision today to issue its investment corporation bonds in accordance with the comprehensive resolution concerning issuance of them made at the board of directors’ meeting held on May 15, 2020.

1. Overview of the Investment Corporation Bonds

   (1) Name of the bonds
       Japan Real Estate Investment Corporation 13th Unsecured Bond
       (No financial covenants, such as a negative pledge)

   (2) Total amount of the bonds to be issued
       JPY 10 billion

   (3) Form of bond issue
       Bond certificates shall not be issued for JRE’s investment corporation bonds pursuant to Act on Book-Entry Transfer of Corporate Bonds and Shares.

   (4) Amount to be paid-in
       JPY 100 per face value of JPY 100

   (5) Maturity value
       JPY 100 per face value of JPY 100

   (6) Interest rate
       0.200% per annum

   (7) Denomination of each bond
2. Reason for the issuance
To raise the proportion of long-term loans and investment corporation bonds to the total interest-bearing debt by issuing these bonds

3. Total amount to be procured, use of proceeds and planned spending period
(1) Total amount to be procured (approximate net amount received)
   JPY 9,950,000,000

(2) Specific use of proceeds and planned spending period
   JRE intends to apply the proceeds to the contractual repayment of a long-term loan of JPY 2 billion and part of the prepayment of a short-term loan of JPY 8 billion during October 2020. For the details of the above loan prepayment, JRE will let you know at a later time.
4. Balance of interest-bearing debt after the bond issuance (Note)

<table>
<thead>
<tr>
<th></th>
<th>Before</th>
<th>After</th>
<th>Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term loans payable</td>
<td>26,000</td>
<td>18,000</td>
<td>-8,000</td>
</tr>
<tr>
<td>Long-term loans payable (Variable interest rate)</td>
<td>23,000</td>
<td>23,000</td>
<td>±0</td>
</tr>
<tr>
<td>Long-term loans payable (Fixed interest rate)</td>
<td>337,000</td>
<td>335,000</td>
<td>-2,000</td>
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<tr>
<td><strong>Total loans</strong></td>
<td>386,000</td>
<td>376,000</td>
<td>-10,000</td>
</tr>
<tr>
<td>Investment corporation bonds</td>
<td>32,993</td>
<td>42,993</td>
<td>+10,000</td>
</tr>
<tr>
<td><strong>Total investment corporation bonds</strong></td>
<td>32,993</td>
<td>42,993</td>
<td>+10,000</td>
</tr>
<tr>
<td><strong>Total interest-bearing debt</strong></td>
<td>418,993</td>
<td>418,993</td>
<td>±0</td>
</tr>
</tbody>
</table>

(Note) This balance takes into account the loan prepayment above mentioned in item3, and the borrowing and the prepayment described in the press release “Announcement of Loan Prepayment and Debt Financing” dated October 13, 2020.

5. Others

Regarding risks pertaining to this bond redemption and interest payment, there is no material change to the “Investment risks” description in the latest securities report submitted on June 25, 2020.

This is the English translation of the announcement in Japanese dated October 15, 2020.
No assurance or warranties are given for the completeness or accuracy of this English translation.